

Entitlement Payments (Childcare)

DESCRIPTION OF MAJOR SERVICES

All childcare programs administered by the Transitional Assistance Department (TAD) are budgeted within this unit. This expanded program is one of the major programs of federal welfare reform and the resulting state CalWORKs program. The expanded programs are intended to fund childcare for CalWORKs recipients that are seeking employment or have obtained employment and continue through employment stabilization for a period of up to two years. This budget unit also incorporates the program that funds childcare for families in which the child is under the auspices of the Department of Children's Services and is at risk of parent abuse or neglect. Childcare provider payments are 100% federal and state funded through reimbursements by the state.

There is no staffing associated with this budget unit.

BUDGET AND WORKLOAD HISTORY

	Actual 2003-04	Budget 2004-05	Actual 2004-05	Budget 2005-06
Appropriation	83,601,688	82,397,695	81,065,438	85,905,228
Departmental Revenue	83,601,688	82,397,695	81,063,581	85,905,228
Local Cost	-	-	1,857	-

Workload Indicators

Average Monthly Caseload	19,148	18,682	17,955	18,854
Average Monthly Aid	367	368	372	380

In comparison to the final 2004-05 budget, it is projected that average monthly paid cases will increase by 1% in 2005-06 due to an increase in CalWORKs intake and the focus on placing clients into mandated welfare-to-work activities. Average monthly aid is projected to increase by 3% in 2005-06 due to changes in caseload makeup.

Funding impacts to the childcare programs made as a result of the state's final budget will require the department to manage childcare caseload so as to remain within the expenditure limitations of the allocations received from the state. Historically, information regarding allocations is received from the state in the latter part of the first quarter of the new fiscal year.

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Actual allocation/grants in 2004-05 were higher than budgeted. In August 2004 the California Department of Education (CDE) released the allocations to the Counties for Stages 2 and 3, CPS and the Federal Block Grant. On August 17th, the department presented to the Board these 2004 allocations. In July 2004, January and April 2005 the department received allocation augmentations from CDE of 10.06 million in Stages 2 & 3, which were presented to the Board on November 9, 2004 (# 31), March 1 and August 9, 2005 (# 42 & 28). These augmentations were due to low initial allocation and subsequent cost reviews by the state.

Budgeted and actual allocations and contracts for childcare services are shown below:

Program	2004-05 Budget	Actual Contract / Allocation Amounts	Add'l Contract / Allocation Amounts	Total Funding
Stage 1 CalWORKs	38,330,355	41,918,512	(6,389)	41,912,123
Stage 2 Contracts	30,656,745	29,605,468	3,733,207	33,338,675
Stage 3 Contracts	9,240,928	2,054,968	6,330,399	8,385,367
Alternative Payment	-	-	-	-
Contract State contract	-	-	-	-
(Child Protective	-	-	-	-
Services)	1,097,971	1,171,374	98,530	1,269,904
Federal Block Grant	-	-	-	-
State contract (working	-	-	-	-
poor)	3,071,695	3,046,172	41,216	3,087,388
Total	82,397,694	77,796,494	10,196,963	87,993,457



Actual expenditures were:

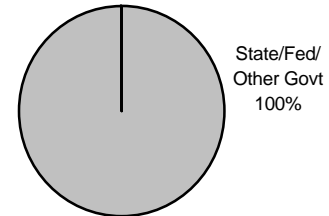
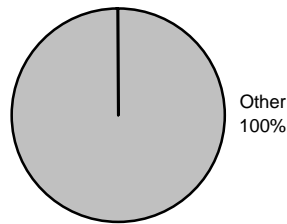
Under budget by \$1.3 million

Less than actual allocations by \$6.9 million

Actual expenditures were under budget and appropriation due to changes in legislation that decreased the allowable amount reimbursed to childcare providers. Caseloads declined by 6.2 % from FY 03/04 as a result of staff review due to the conversion to Consortium IV (C-IV) the new automated case management system implemented in September 2004.

2005-06 BREAKDOWN BY EXPENDITURE AUTHORITY

2005-06 BREAKDOWN BY FINANCING SOURCE



GROUP: Human Services
DEPARTMENT: Entitlement Payments
FUND: General

BUDGET UNIT: AAA ETP
FUNCTION: Public Assistance
ACTIVITY: Aid Programs

	2004-05 Actuals	2004-05 Final Budget	2005-06 Board Approved Base Budget	2005-06 Board Approved Changes to Base Budget	2005-06 Final Budget
<u>Appropriation</u>					
Other Charges	81,065,438	82,397,695	85,905,228	-	85,905,228
Total Appropriation	81,065,438	82,397,695	85,905,228	-	85,905,228
<u>Departmental Revenue</u>					
State, Fed or Gov't Aid	81,063,581	82,397,695	85,905,228	-	85,905,228
Total Revenue	81,063,581	82,397,695	85,905,228	-	85,905,228
Local Cost	1,857	-	-	-	-

